

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐

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| APPLICATION FOR PERMIT TO DRILL | | 1. WELL NAME and NUMBER North Alger 27-31A |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | 3. FIELD OR WILDCAT NATURAL BUTTES |
| 4. TYPE OF WELL Gas Well Coalbed Methane Well: NO | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME NORTH ALGER |
| 6. NAME OF OPERATOR KOCH EXPLORATION COMPANY LLC | | 7. OPERATOR PHONE 303 325-2562 |
| 8. ADDRESS OF OPERATOR 950 17th Street, Suite 1900, Denver, CO, 80202 | | 9. OPERATOR E-MAIL howard4d@kochind.com |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU49518 | 11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | |
| 12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | | |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/> | |
| 19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/> | | |

| 20. LOCATION OF WELL | FOOTAGES | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN |
|---------------------------------|-------------------|---------|---------|----------|--------|----------|
| LOCATION AT SURFACE | 2126 FSL 1181 FWL | NWSW | 27 | 10.0 S | 19.0 E | S |
| Top of Uppermost Producing Zone | 2310 FSL 330 FWL | NWSW | 27 | 10.0 S | 19.0 E | S |
| At Total Depth | 2310 FSL 330 FWL | NWSW | 27 | 10.0 S | 19.0 E | S |

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| 21. COUNTY UINTAH | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 1181 | 23. NUMBER OF ACRES IN DRILLING UNIT 640 |
| | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 15 | 26. PROPOSED DEPTH MD: 10408 TVD: 10300 |
| 27. ELEVATION - GROUND LEVEL 5223 | 28. BOND NUMBER COB000296 | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-2231, 43-8496, 49-1645, 49-2375 |


Hole, Casing, and Cement Information

| String | Hole Size | Casing Size | Length | Weight | Grade & Thread | Max Mud Wt. | Cement | Sacks | Yield | Weight |
|--------|-----------|-------------|-----------|--------|----------------|-------------|----------------------------|-------|-------|--------|
| Surf | 12.25 | 8.625 | 0 - 2500 | 32.0 | J-55 LT&C | 8.5 | Type V | 301 | 3.82 | 11.0 |
| | | | | | | | Class G | 250 | 1.15 | 15.8 |
| Prod | 7.875 | 4.5 | 0 - 10408 | 11.6 | L-80 LT&C | 13.0 | Premium Lite High Strength | 326 | 1.79 | 12.0 |
| | | | | | | | Premium Lite High Strength | 1943 | 1.27 | 13.5 |

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

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| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |
| <input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP |

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| NAME Theron Hoedel | TITLE Operations Engineer | PHONE 303 325-2565 |
| SIGNATURE | DATE 02/10/2015 | EMAIL theron.hoedel@kochind.com |
| API NUMBER ASSIGNED 43047552490000 | APPROVAL  Permit Manager | |

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|--------------------------|--------------------|---|
| DATE SURVEYED: 3-3-14 | SURVEYED BY: T.A. | SHEET NO: 2H OF 12 |
| DATE DRAWN: 3-10-14 | DRAWN BY: J.G.C. | |
| SCALE: 1" = 1000' | Date Last Revised: | |